

**Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Department for Environmental Protection
Division for Air Quality
803 Schenkel Lane
Frankfort, Kentucky 40601
(502) 573-3382**

**AIR QUALITY PERMIT
Issued under 401 KAR 52:040**

Permittee Name: Cowboy Charcoal USA
Mailing Address: 1152 Old Highway 31, P.O. Box 99, Albany, KY
42602

Source Name: Cowboy Charcoal USA
Mailing Address: 125 Creekview Drive
Monticello

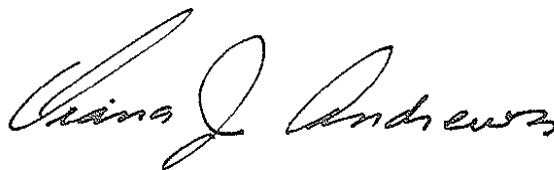
Source Location: Wayne County

Permit ID: S-07-143
Agency Interest #: 81844
Activity ID: APE20070001
Review Type: Minor Source, Operating
Source ID: 21-231-00034

Regional Office: London Regional Office
875 S. Main Street
London, KY 40741
(606) 330-2080

County: Wayne

Application
Complete Date: November 20, 2007
Issuance Date: February 1, 2008
Revision Date:
Expiration Date: February 1, 2018



**John S. Lyons, Director
Division for Air Quality**

SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first submitting a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:040, State-origin permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining other permits, licenses, or approvals that may be required by the Cabinet or other federal, state, or local agencies.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

Emission Unit 01 (01-A) Direct Heating Unit with Firewood Drying Wagons

Description:

One hardwood/sawdust burning heater rated at 2 MMBtu/hr for drying hardwood split chunks/chips in two wood drying wagons

Dryers Capacity: 0.67 Tons/Hr hardwood split chunks and chips in both wagons

Backup Direct Heater: Natural Gas fuel

Commenced Construction: 2008

APPLICABLE REGULATIONS:

401 KAR 59:010, New Process Operations applicable to units commenced on or after July 2, 1975.

1. Operating Limitations:

The amount of chunks and chips processed shall not exceed 5,840 tons/yr in any consecutive 12 months.

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:010 Section 3(1)(a), any continuous emission(s) into the open air from stack shall not exceed twenty (20) percent opacity based on a six-minute average.
- b. Pursuant to 401 KAR 59:010 Section 3(2), particulate matter emissions into the open air from stack shall not exceed 2.79 lbs/hr based on a 3 hour average.

Compliance Demonstration Method:

This unit is considered to be in compliance with PM emissions while drying 0.67 tons/hr or less of wood chunks and chips.

3. Testing Requirements: None

4. Monitoring Requirements:

- a. The amount of sawdust/wood for fuel and the amount of firewood chunks and chips processed for drying in the wagons shall be monitored on a weekly basis.
- b. The permittee shall perform a qualitative visible observation of the opacity of emissions from each stack on a weekly basis and maintain a log of the observation. If visible emissions from a stack are seen, then the opacity shall be determined using EPA Reference Method 9 and an inspection shall be initiated for any necessary repairs
- c. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Recordkeeping Requirements:

- a. The amount of sawdust/wood for fuel and the amount of firewood processed shall be recorded on a weekly basis.
- b. See Section C.

6. Reporting Requirements:

See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit 02 (01-B) Direct Heating Unit with Split Firewood Drying Kiln

Description:

One hardwood/sawdust burning heater rated at 3 MMBtu/hr for drying split hardwood in kiln
Dryers Capacity: 2.54 Tons/Hr hardwood split
Backup Direct Heater: Natural Gas fuel
Commenced Construction: 2008

APPLICABLE REGULATIONS:

401 KAR 59:010, New Process Operations applicable to units commenced on or after July 2, 1975.

1. Operating Limitations:

The amount of chunks and chips processed shall not exceed 22,250 tons/yr in any consecutive 12 months.

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:010 Section 3(1)(a), any continuous emission(s) into the open air from stack shall not exceed twenty (20) percent opacity based on a six-minute average.
- b. Pursuant to 401 KAR 59:010 Section 3(2), particulate matter emissions into the open air from stack shall not exceed 6.35 lbs/hr based on a 3 hour average.

Compliance Demonstration Method:

This unit is considered to be in compliance with PM emissions while drying 2.54 tons/hr or less of split hardwood.

3. Testing Requirements: None

4. Monitoring Requirements:

- a. The amount of sawdust/wood for fuel and the amount of firewood chunks and chips processed for drying in the kiln shall be monitored on a weekly basis.
- b. The permittee shall perform a qualitative visible observation of the opacity of emissions from each stack on a weekly basis and maintain a log of the observation. If visible emissions from a stack are seen, then the opacity shall be determined using EPA Reference Method 9 and an inspection shall be initiated for any necessary repairs
- c. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Recordkeeping Requirements:

- a. The amount of sawdust/wood for fuel and the amount of firewood processed shall be recorded on a weekly basis.
- b. See Section C.

6. Reporting Requirements:

See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit 03 (01-C) Direct Heating Unit with Rotary hardwood chips/sawdust Dryer

Description:

One hardwood/sawdust burning heater rated at 2 MMBtu/hr for drying hardwood chips and sawdust in a rotary dryer

Dryers Capacity: 1.61 Tons/Hr hardwood chips/sawdust

Commenced Construction: 2008

APPLICABLE REGULATIONS:

401 KAR 59:010, New Process Operations applicable to units commenced on or after July 2, 1975.

1. Operating Limitations:

The amount of hardwood chips/sawdust processed shall not exceed 14,103 tons/yr in any consecutive 12 months.

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:010 Section 3(1)(a), any continuous emission(s) into the open air from stack shall not exceed twenty (20) percent opacity based on a six-minute average.
- b. Pursuant to 401 KAR 59:010 Section 3(2), particulate matter emissions into the open air from stack shall not exceed 4.82 lbs/hr based on a 3 hour average.

Compliance Demonstration Method:

This unit is considered to be in compliance with PM emissions while drying 1.61 tons/hr or less of wood chunks and chips.

3. Testing Requirements: None

4. Monitoring Requirements:

- a. The amount of hardwood chips/sawdust processed for drying in the rotary shall be monitored on a weekly basis.
- b. The permittee shall perform a qualitative visible observation of the opacity of emissions from each stack on a weekly basis and maintain a log of the observation. If visible emissions from a stack are seen, then the opacity shall be determined using EPA Reference Method 9 and an inspection shall be initiated for any necessary repairs
- c. See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Recordkeeping Requirements:

- a. The amount of hardwood chips/sawdust processed shall be recorded on a weekly basis.
- b. See Section C.

6. Reporting Requirements:

See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Unit 04 (01-D, 01-G, 01-H, and 01-I) Material Handling, Sawing & Splitting for processing/fuel/storage/ packaging

Description:

01-Da, Sawing 34,383 tons/year green logs and collecting sawdust

01-Dc, Splitting 31,020 tons/year green logs to chunks/firewood

01-Ga, Screening & Bagging 29,565 tons/year chips and chunk wood

01-Ha, Handling and Packaging 14,600 tons/year firewood

01-Ia, Shearing and Packaging 8,760 tons/year wood strips

Construction Commenced: 2008

Applicable Regulations:

401 KAR 59:010, new process operations, is applicable to each affected facility associated with a process operation commenced after July 2, 1975 and limits particulate emissions.

1. Operating Limitations:

None

2. Emission Limitations:

- a. Pursuant to 401 KAR 59:010, Section 3(1)(a), any continuous emission from an affected unit to the open air shall not exceed twenty (20) percent opacity based on a six-minute average.
- b. Pursuant to 401 KAR 59:010, Section 3(2), particulate matter emissions into the open air shall not exceed 8.4 lb/hr for the unit 01-Da, 7.8 lb/hr for the unit 01-Dc, 7.6 lb/hr for the unit 01-Ga, 4.9 lb/hr for the unit 01-Ha, and 3.59 lb/hr for the unit 01-Ia operations based on a 3 hour average.

Compliance Demonstration Method:

These units are considered to be in compliance with PM emissions when each of the above unit is processing equal or less than the process rate set in the permit.

3. Testing Requirements: None

4. Monitoring Requirements:

- a. The permittee shall monitor the hours of operation and the amount of hardwood (green logs, chips, chunk, strips, and sawdust) processed by each unit on a monthly basis.
- b. The permittee shall perform a qualitative visible observation of the opacity of emissions from each stack/unit on a weekly basis and maintain a log of the observation. If visible emission from a stack/unit are seen, then the opacity shall be determined using EPA Reference Method 9 and an inspection shall be initiated for any necessary repairs.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Recordkeeping Requirements:

- a. The permittee shall maintain records of the amount of wood material processed by each unit and each unit's hours of operation on a monthly basis.
- b. The permittee shall maintain records of the weekly qualitative visual observation of opacity of emissions and the opacity determined by Reference Method 9, if any were taken, and repairs that were made due to any opacity reading which exceeded the standard.

6. Reporting Requirements:

See Section C.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emission Unit 05 (01-D, 01-E, 01-F, and 01-G) Material handling/transferring****Descriptions:**

01-Db, Transferring 3360 tons/year sawdust
01-Dd, Transferring 31,020 tons/year green splitwood to drying
01-De, Transferring 31,020 tons/year green splitwood to storage
01-Ea, Transferring 14,016 tons/year green chip/sawdust to rotary dryer
01-Fa, Transferring 3,787 tons/year dry sawdust to fuel feeder
01-Gb, Transferring 740 tons/year wood fines to storage/fuel feeder
01-Gc Loading 740 tons/year roll offs screened fines wood

Applicable Regulations:

401 KAR 63:010, Fugitive Emissions, is applicable to each affected facility which emits or may emit fugitive emissions and is not elsewhere subject to an opacity standard within the administrative regulations of the Division for Air Quality.

1. Operating Limitations: None**2. Emission Limitations:**

- a. Pursuant to 401 KAR 63:010, Section 3(1), no person shall cause, suffer, or allow any material to be handled, processed, transported, or stored; a building or its appurtenances to be constructed, altered, repaired, or demolished, or a road to be used without taking reasonable precaution to prevent particulate matter from becoming airborne. Such reasonable precautions shall include, when applicable, but not be limited to the following:
 - 1) Pursuant to 401 KAR 63:010, Section 3(1)(b), application and maintenance of asphalt, oil, water or suitable chemicals on roads, materials stockpiles, and other surfaces which can create airborne dusts.
 - 2) Pursuant to 401 KAR 63:010, Section 3(1)(d), covering, at all times when in motion, open bodied trucks transporting materials likely to become airborne.
 - 3) Pursuant to 401 KAR 63:010, Section 3(1)(e), the maintenance of paved roadways in a clean condition.
 - 4) Pursuant to 401 KAR 63:010, Section 3(1)(f), the prompt removal of earth or other material from a paved street which earth or other material has been transported thereto by trucking or earth moving equipment or erosion by water
- b. Pursuant to 401 KAR 63:010, Section 3(2), no person shall cause or permit the discharge of visible fugitive emissions beyond the lot line of the property on which the emissions originate.
- c. Pursuant to 401 KAR 63:010, Section 3(3), when dust, fumes, gases, mist, odorous matter, vapors, or any combination thereof escape from a building or equipment in such a manner

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

and amount as to cause a nuisance or to violate any administrative regulation, the secretary may order that the building or equipment in which processing, handling and storage are done be tightly closed and ventilated in such a way that all air and gases and air of gas-borne material leaving the building or equipment are treated by removal or destruction of air contaminants before discharge to the open air.

- d. Pursuant to 401 KAR 63:010, Section 4(4), no one shall allow earth or other material being transported by truck or earth moving equipment to be deposited onto a paved street or roadway.

3. Testing Requirements: None

4. Monitoring Requirements:

See Section C.

5. Recordkeeping Requirements:

See Section C.

6. Reporting Requirements:

See Section C.

SECTION C - GENERAL CONDITIONS**1. Administrative Requirements**

- a. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:040, Section 3(1)(b) and is grounds for enforcement action including but not limited to the termination, revocation and reissuance, or revision of this permit.
- b. This permit shall remain in effect for a fixed term of ten (10) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division. [401 KAR 52:040, Section 15]
- c. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Section 1a-11 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- d. Pursuant to materials incorporated by reference by 401 KAR 52:040, this permit may be revised, revoked, reopened, reissued, or terminated for cause. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance shall not stay any permit condition [Section 1a-4, 5, of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- e. This permit does not convey property rights or exclusive privileges [Section 1a-8 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- f. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:040 Section 11(3)].
- g. This permit shall be subject to suspension at any time the permittee fails to pay all fees within 90 days after notification as specified in 401 KAR 50:038, Air emissions fee. The permittee shall submit an annual emissions certification pursuant to 401 KAR 52:040, Section 20.

SECTION C - GENERAL CONDITIONS (CONTINUED)**2. Recordkeeping Requirements**

- a. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of at least five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [401 KAR 52:040 Section 3(1)(f) and Section 1b-IV-2 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- b. The permittee shall perform compliance certification and recordkeeping sufficient to assure compliance with the terms and conditions of the permit. Documents, including reports, shall be certified by a responsible official pursuant to 401 KAR 52:040, Section 21.

3. Reporting Requirements

- a. (1) In accordance with the provisions of 401 KAR 50:055, Section 1, the permittee shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
 - i. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
 - ii. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall be submitted in writing upon request.
- (2) The permittee shall promptly report deviations from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Reporting Requirement condition a.(1) above), the probable cause of the deviation, and corrective or preventive measures taken; to the Regional Office listed on the front of this permit within 30 days. Other deviations from permit requirements shall be included in the semiannual report [Section 1b-V-3 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- b. The permittee shall furnish information requested by the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or to determine compliance with the permit [Section 1a-6 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- c. Summary reports of monitoring required by this permit shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation. The summary reports

SECTION C - GENERAL CONDITIONS (CONTINUED)

are due January 30th and July 30th of each year. All deviations from permit requirements shall be clearly identified in the reports. All reports shall be certified by a responsible official pursuant to 401 KAR 52:040, Section 21.

4. Inspections

In accordance with the requirements of 401 KAR 52:040, Section 3(1)(f) the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times. Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency:

- a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation.
- b. To access and copy any records required by the permit.
- c. Inspect, at reasonable times, any facilities, equipment (including monitoring and pollution control equipment), practices, or operations required by the permit.
- d. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.

5. Emergencies/Enforcement Provisions

- a. The permittee shall not use as defense in an enforcement action, the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Section 1a-3 of the *Cabinet Provisions and Procedures for Issuing State-Origin Permits* incorporated by reference in 401 KAR 52:040 Section 23].
- b. An emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
 - (1) An emergency occurred and the permittee can identify the cause of the emergency;
 - (2) The permitted facility was at the time being properly operated;
 - (3) During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
 - (4) The permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division within two working days after the time when emission limitations were exceeded due to the emergency and included a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
- c. Emergency provisions listed in General Condition 5.b are in addition to any emergency or upset provision contained in an applicable requirement [401 KAR 52:040, Section 22(1)].
- d. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof. [401 KAR 52:040, Section 22(2)].

SECTION C - GENERAL CONDITIONS (CONTINUED)**6. Compliance**

- a. Periodic testing or instrumental or non-instrumental monitoring, which may consist of record keeping, shall be performed to the extent necessary to yield reliable data for purposes of demonstration of continuing compliance with the conditions of this permit. For the purpose of demonstration of continuing compliance, the following guidelines shall be followed:
 - (1) Pursuant to 401 KAR 50:055, General compliance requirements, Section 2(5), all air pollution control equipment and all pollution control measures proposed by the application in response to which this permit is issued shall be in place, properly maintained, and in operation at any time an affected facility for which the equipment and measures are designed is operated, except as provided by 401 KAR 50:055, Section 1.
 - (2) All the air pollution control systems shall be maintained regularly in accordance with good engineering practices and the recommendations of the respective manufacturers. A log shall be kept of all routine and nonroutine maintenance performed on each control device. Daily observations are required during daylight hours of all operations, control equipment and any visible emissions to determine whether conditions appear to be either normal or abnormal. If the operations, controls and/or emissions appear to be abnormal, the permittee must then comply with the requirements of Section C – General Conditions, 3.a.(2), of this permit.
 - (3) A log of the monthly raw material consumption and monthly production rates shall be kept available at the facility. Compliance with the emission limits may be demonstrated by computer program, spread sheets, calculations or performance tests as may be specified by the Division [401 KAR 50:055, Section 2].
- b. Pursuant to 401 KAR 52:040, Section 19, the permittee shall certify compliance with the terms and conditions contained in this permit by January 30th of each year, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an approved alternative) to the Regional Office listed on the front of this permit in accordance with the following requirements:
 - (1) Identification of the term or condition;
 - (2) Compliance status of each term or condition of the permit;
 - (3) Whether compliance was continuous or intermittent;
 - (4) The method used for determining the compliance status for the source, currently and over the reporting period, and
 - (5) For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

SECTION C - GENERAL CONDITIONS (CONTINUED)

(6) The certification shall be postmarked by January 30th of each year. Annual compliance certifications shall be mailed to the following addresses:

**Division for Air Quality
London Regional Office
875 S. Main Street
London, KY 40741**

**Division for Air Quality
Central Files
803 Schenkel Lane
Frankfort, KY 40601-1403**

- c. Permit Shield - A permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of this permit shall be considered compliance with all:
- (1) Applicable requirements that are included and specifically identified in this permit; or
 - (2) Non-applicable requirements expressly identified in this permit [401 KAR 52:040, Section 11].

7. Construction Requirements:

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the construction of the equipment described herein, emission units 01-05 (01-A, 01-B, 01-C, 01-D, 01-E, 01-F, 01-G, 01-H, and 01-I) in accordance with the terms and conditions of this permit.

- a. Pursuant to 401 KAR 52:040, Section 12(3), unless construction is commenced on or before 18 months after the date of issuance of this permit, or if construction is commenced and then stopped for any consecutive period of 18 months or more, or is not completed within a reasonable timeframe, then the construction and operating authority granted by this permit for those affected facilities for which construction was not completed shall immediately become invalid. Upon a written request, the Cabinet may extend these time periods if the source shows good cause.
 - b. Pursuant to 401 KAR 52:040, Section 12(4)(a) and 401 KAR 59:005, General provisions, Section 3(1), within 30 days following construction commencement, within 15 days following start-up and attainment of maximum production rate, or within 15 days following the issuance date of this permit, whichever is later, the owner and/or operator of the affected facilities specified on this permit shall furnish to the Regional Office listed on the front of this permit, with a copy to the Division's Frankfort Central Office, the following:
 - (1) Date when construction commenced.
 - (2) Start-up date of each of the affected facilities listed on this permit.
 - (3) Date when maximum production rate was achieved.
- (1) Pursuant to 401 KAR 59:005, General provisions, Section 2(1), this permit shall allow time for the initial start-up, operation and *compliance demonstration* of the affected facilities listed herein. However, within 60 days after achieving the maximum production rate at which the affected facilities will be operated, but not later than 180 days after initial start-up of such facilities, the owner or operator shall *demonstrate compliance to a duly authorized representative of the Division*.

SECTION C - GENERAL CONDITIONS (CONTINUED)

- (2) Pursuant to 401 KAR 59:005, General provisions, Section 3(1)(b), unless notification and justification to the contrary are received by this Division, the date of achieving the maximum production rate at which the affected facilities will be operated shall be deemed to be 30 days after initial start-up.
 - (4) Pursuant to 401 KAR 50:045 Section 5 in order to demonstrate that a source is capable of complying with a standard at all times, a performance test shall be conducted under normal conditions that are representative of the source's operations and create the highest rate of emissions. If [When] the maximum production rate represents a source's highest emissions rate and a performance test is conducted at less than the maximum production rate, a source shall be limited to a production rate of no greater than 110 percent of the average production rate during the performance tests. If and when the facility is capable of operation at the rate specified in the application, the source may retest to demonstrate compliance at the new production rate. The Division for Air Quality may waive this requirement on a case-by-case basis if the source demonstrates to the Division's satisfaction that the source is in compliance with all applicable requirements.
- d. Operation of the affected facilities authorized by this permit shall not commence until compliance with applicable standards specified herein has been demonstrated in accordance with the requirements of 401 KAR 52:040, Section 12(4)(b). Until compliance is demonstrated, the source may only operate for the purpose of demonstrating compliance.

SECTION D - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:040, Section 6. Although these activities are designated as insignificant the permittee must comply with the applicable regulation. Process and emission control equipment at each insignificant activity subject to a general applicable regulation shall be inspected monthly and a qualitative visible emissions evaluation made. Results of the inspections and observations shall be recorded in a log, noting color, duration, density (heavy or light), cause, and any corrective actions taken due to abnormal visible emissions.

<u>Description</u>	<u>Generally Applicable Regulation</u>
1. Diesel fuel storage tank, below 1000 gallons	NA
2. Machinery lubricants	NA
3. Distilled oil fuel Space Heaters, 4 units	NA
4. Fork lifts/front-end Loaders, 10 units	NA
5. 0.065 MMBtu/hr natural gas burner on packaging unit (01-Ha) heater	NA